

Appl. No. 09/438,856
Amdt. Dated 05/18/2005
Reply to Office Action of 11/18/2004

Appendix II

Ex Parte Wu

10 USPQ2d 2031 (Bd. Pat. App. & Inter. 1989)

where the feature, more aptly, design, is a mere arbitrary embellishment or form of dress for the goods primarily adopted for purposes of identification and individuality and, hence, unrelated to basic consumer demands in connection with the product, imitation may be forbidden where the requisite showing of secondary meaning is made. Under such circumstances, since effective competition may be undertaken without imitation, the law grants protection.

These criteria require the classification of the designs in question here as functional. Affidavits introduced by Wallace repeat over and over again that one of the essential selling features of hotel china, if, indeed, not the primary, is the design. The attractiveness and eye appeal of the design sells the china. Moreover, from the standpoint of the purchaser, china satisfies a demand for the aesthetic as well as for the utilitarian, and the design on china is, at least in part, the response to such demand. The granting of relief in this type of situation would render Wallace immune from the most direct and effective competition with regard to these lines of china. It seems clear that these designs are not merely indicia of source, so that one who copies them can have no real purpose other than to trade on his competitor's reputation. On the contrary, to imitate is to compete in this type of situation. 198 F.2d 343-344 [95 USPQ at 48-49] (emphasis added).

Plaintiff here maintains that the *Pagliero* test has been abrogated in the Second Circuit. Although the Second Circuit has criticized the "important ingredient" test, see *LeSportsac*, 754 F.2d at 77 [225 USPQ at 658], it has clearly asserted that the test is appropriate in situations such as the one before the Court. The *LeSportsac* Court stated:

"[W]e do not suggest that it [the 'important ingredient' test] cannot be appropriately applied in certain circumstances. The 'important ingredient' definition achieved its most quoted formulation in the context of a product, hotel china, the essential feature of which was the aesthetic appeal of its design. See *Pagliero*, supra, 198 F.2d at 343 [95 USPQ at 48]."

754 F.2d at 77-78 [225 USPQ at 658]. See also *I.A. Fratelli Sportivi v. Charles Craig Ltd.*, 725 F.2d 18, 20 [222 USPQ 754, 756] (2d Cir. 1984) ("[T]he design on hotel china is the principal thing that attracts potential buyers, for it makes the china aesthetically appealing. As an important ingredient in the

saleability of the goods, it is functional and may not be treated as an unregistered trademark.") (emphasis added).

[2] The documentary evidence before the Court amply demonstrates that the design on the "Basket" is not primarily adopted for the purpose of identification of source. As such, the design is functional and is not protected by the Lanham Act.

C. Counts VI and VII: Common Law Unfair Competition and Trademark Infringement

Counts VI and VII allege unfair competition and dilution of trademark under New York law. "[A] claim for unfair competition under New York law requires proof of a competitor's deliberate use of a non-functional trade dress and likelihood of public confusion. Proof of secondary meaning is not required." *Morex S.P.A. v. Design Institute America, Inc.*, 779 F.2d 799, 801 [228 USPQ 372, 373-74] (2d Cir. 1985). Where the record establishes that a design is functional, the Court's inquiry may cease. See, e.g., *Dannin I'm Good, Inc. v. Sakowitz, Inc.*, 514 F.Supp. 1357 [212 USPQ 684] (S.D.N.Y. 1981).

[3] This Court's research indicates that the question of whether a design is functional under New York law is governed by the same standards as the functionality issue under

The Court is mindful that the embattled *Pagliero* formulation of functionality has engendered considerable confusion in the Second Circuit. Nevertheless, it appears that *Pagliero* remains the law regarding hotel china.

The *Charles Craig* case clearly acknowledges the applicability of *Pagliero* to hotel china. Judge Weinfield buttressed this point in *Gemveto Jewelry Co. v. Jeff Cooper, Inc.*, 613 F.Supp. 1052, 1061 [227 USPQ 623, 628] (S.D.N.Y. 1985), vacated on other grounds 800 F.2d 256 [230 USPQ 876] (Fed. Cir. 1986). While sharply limiting the "important ingredient" test's applicability, the *LeSportsac* Court clearly acknowledged the test's viability concerning china. See 754 F.2d at 78 [225 USPQ 658-59].

In *Morex S.P.A. v. Design Institute America, Inc.*, 779 F.2d 799, 801 [228 USPQ 372, 373-74] (2d Cir. 1985), in a case not involving china, the Second Circuit Court of Appeals ventured that *LeSportsac* "implicitly rejected" the "important ingredient" test. Finally, in *Stormy Climate Ltd. v. ProGroup, Inc.*, 809 F.2d 971, 977 [1 USPQ2d 2026, 2030] (2d Cir. 1987), that Court tempered its assessment of *LeSportsac*'s impact on the "important ingredient" test, stating that *LeSportsac* merely "limited" the applicability of the "important ingredient" test. This Court then is compelled to accept the "important ingredient" test's continued vitality regarding china.

2. Patentability/Validity — Obviousness — Combining references (§115.0905)

Claimed method for inhibiting corrosion on metal surfaces using composition consisting of epoxy resin, petroleum sulfonate, and hydrocarbon diluent are obvious in view of four prior patents, since incorporation of petroleum sulfonate, desirable qualities of which were established in secondary references, in composition of primary reference would have been prima facie obvious, since primary reference clearly suggests presence of hydrocarbon extenders or diluents, since it would have been obvious to omit polybasic acid salts of primary reference where, as in claims at issue, function attributed to such salts is neither desired nor required; since, although composition and process of primary reference are disclosed to be particularly suitable for treating surfaces in contact with fresh water, it would have been obvious to one of ordinary skill to adapt such coatings to other environments requiring corrosion protection, and since no evidence exists that other prima facie obvious processes suggested in references are less effective than claimed method.

3. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Phrase "optionally containing a polyamine," in application claims describing to method for using particular composition to inhibit corrosion on metal surfaces, does not warrant rejection under 35 USC 112 despite prior Board of Patent Appeals and Interferences decisions finding that phrase "such as" renders claims indefinite, since term "optionally" is more analogous to accepted expressions "not more than" and "up to," and does not create doubt arising from use of "such as" which raises question as to whether feature introduced by language is either merely exemplary of claim or required feature of claim.

Appeal from final rejection of claims (John C. Bleutge, primary examiner; R. Sellers, examiner).

Patent application of Yulin Wu, serial no. 749,366, filed June 27, 1985, which is division of serial no. 298,444, filed Sept. 1, 1981. From final rejection of claims 1-4, 6, 7, and 14-19, applicant appeals. Rejection on ground of obviousness affirmed; examiner's request for reconsideration of that portion of decision reversing examiner's rejection for indefiniteness under 35 USC 112 denied.

CONCLUSION

For the reasons set forth above, defendant's motion for summary judgment dismissing Counts III, V, VI, VII is granted. Summary judgment is denied as to Count I. Plaintiff is directed to file a supplemental complaint within twenty (20) days of this Opinion and Order. Defendant is to answer the supplemental complaint by March 17, 1989. Any remaining discovery shall be completed by May 17, 1989.

The parties are to be ready for trial June 19, 1989 and to make their pre-trial submissions in accordance with the Court's pre-trial requirements as forwarded herewith.

SO ORDERED.

Patent and Trademark Office
Board of Patent Appeals and Interferences

Ex Parte Wu

No. 87-0509

Released March 17, 1989

PATENTS

1. Patent construction — Claims — Indefinite and incomplete (§125.1313)

Phrase "optionally containing a polyamine," in application claim for method for using particular composition to inhibit corrosion on metal surfaces, does not warrant rejection under 35 USC 112; since composition set forth in claims can consist of first three components; recited or can include polyamine as fourth component, and therefore claims are not indefinite due to inclusion of optionally claimed component.

E. T. Kittelman, Jack E. Phillips, and Williams, Phillips & Umphlett, Bartlesville, Okla., for appellant.

Before Seidleck, Tarring, and W. Smith, examiners.

Tarring, examiner-in-chief.

This is an appeal from the examiner's final rejection of claims 1 through 4, 6, 7 and 14 through 19. The only remaining claims, claims 8 through 13, have been withdrawn as being directed to the nonelected invention under 37 CFR 1.142.

The application is directed to a process for using a particular composition to inhibit corrosion on a metal surface.

Claim 1 is illustrative:

1. A method for decreasing corrosion rate on a metal surface by contacting the metal surface with a composition consisting of an epoxy resin, a petroleum sulfonate and a hydrocarbon-diluent optionally containing a polyamine.

This application is a division of Serial No. 298,444, wherein the examiner's rejection of composition claims was affirmed by the Board in Appeal No. 674-24.

The examiner has cited the following patents as evidence of obviousness under 35 USC 103:

Westlund, Jr. et al. (Westlund)	2,843,548	Jul. 15, 1958
Murdock	3,427,190	Feb. 11, 1969
Pilla	4,157,991	Jun. 12, 1979
Green (Canadian Patent)	611,572	Dec. 27, 1960

Two rejections are before us:

(a) Claims 1 through 4, 6, 7 and 14 through 19 stand rejected under 35 USC 112, second paragraph, as being indefinite; and

(b) Claims 1 through 4, 6, 7 and 14 through 19 stand rejected under 35 USC 103 as being unpatentable over Murdock in view of Pilla, Westlund and the Canadian Patent.

We have carefully considered the respective positions of the examiner and the appellant, as well as the evidence of record, in reaching our decision that the rejection under 35 USC 112 shall be reversed while the rejection under 35 USC 103 shall be sustained.

[1] The rejection under 35 USC 112 is based on the examiner's contention that the term "optionally" in claim 1 does not clearly indicate whether the polyamine is intended to be a part of the composition. We have no difficulty determining the scope of claim 1 as drafted. The composition set forth in the claim can consist of the first three compo-

netts recited or it can include a polyamine as a "fourth" component. We therefore do not consider the claims to be indefinite as a result of the claimed optional component.

[2] We are convinced that it would have been obvious, in view of the various teachings of the secondary references, to include petroleum sulfonate in the anti-corrosion compositions taught by Murdock. The secondary references established that petroleum sulfonates are recognized in the art as corrosion inhibitors (Pilla), rust inhibiting materials (Westlund) and surface active agents which promote the solubility of corrosion inhibiting additives in petroleum hydrocarbons (Canadian Patent). Inasmuch as these recognized properties are clearly complementary to the anti-corrosion purposes of Murdock's composition and method, the incorporation of petroleum sulfonates in Murdock's composition with the expectation of thereby achieving improvement in the properties recognized to be attributable to the additive would have been *prima facie* obvious.

We note appellant's argument that the Murdock composition does not contain a hydrocarbon diluent. Murdock clearly suggests the presence of hydrocarbon extenders (or diluents) at column 10, lines 68 through 73.

Appellant's claims exclude the presence of Murdock's salts of polybasic acids in the composition defined as "consisting of" the listed components. We agree with the examiner that it would have been obvious to omit Murdock's polybasic acid salts when the function attributed to these salts is not desired or required. Murdock teaches that these salts are beneficial when the composition is employed in contact with fresh water (column 3, lines 4 through 7). Omission of the salt component in preparing compositions to be used to provide corrosion resistance to metals in environments which do not encounter fresh water would have been obvious.

We also note appellant's argument that Murdock does not teach reducing corrosion in environments containing high temperatures and/or high pressures. While, Murdock's composition and process are disclosed to be particularly suitable for treating surfaces in contact with fresh water, we are convinced that one of ordinary skill would recognize the general applicability of the anti-corrosion coatings taught therein. It would have been obvious to adopt these coatings to whatever environments exist at the sites where corrosion protection is required. Accordingly, it would have been obvious to adopt and apply Murdock's anti-corrosion compositions in the temperature and pres-

sure environments set forth in claims 6 and 7. We note Murdock teaches that his process can be used in any type of structure including reaction vessels and well jackets (column 12, lines 72-75).

The fact that all of the references are directed to treating metals with compositions to impart corrosion resistance provides an adequate commonality of interest between the four references, as well as appellant's field of endeavor, to suggest the pertinence of the teachings of each of the references to appellant's problem. We do not agree with appellant that the rejection is based on impermissible hindsight. While, as appellant suggests, the references might suggest that other compositions might also serve to solve appellant's problem, we note that the present specification teaches numerous modifications of the composition which are outside of the scope of the present claims and apparently provide at least equivalent results to the process claimed (page 7, lines 4 through 9; page 8, lines 16 through 33). Accordingly, we see no reason, based on this record, to conclude that appellant's process works where other *prima facie* obvious processes fail.

For the reasons given above as well as those expressed by the examiner in his Answer, the examiner's decision is affirmed.

AFFIRMED.

37 CFR 1.136(a) does not apply to the times for taking any subsequent action in connection with this appeal.

UPON REQUEST FOR RECONSIDERATION

December 22, 1988

The examiner has requested reconsideration of that part of our decision, mailed February 29, 1988, wherein we reversed the rejection of claims 1 through 4, 6, 7 and 14 through 19 under the second paragraph of 35 USC 112. Neither the examiner nor the appellant have requested reconsideration of that portion of our decision wherein we affirmed a rejection under 35 USC 103 over stated prior art. We have reconsidered our reversal of the rejection under 35 USC 112 in view of the examiner's request, however, we decline to modify our position in any respect.

In rejecting a claim under the second paragraph of 35 USC 112, it is incumbent on the examiner to establish that one of ordinary skill in the pertinent art, when reading the claims in light of the supporting specifica-

tion, would not have been able to ascertain with a reasonable degree of precision and particularity the particular area set out and circumscribed by the claims. *In re Moore*, 439 F.2d 1232, 169 USPQ 236 (CCPA 1971); *In re Hammack*, 427 F.2d 1378, 166 USPQ 204 (CCPA 1970). The determination of such issues necessarily depends on the facts of each particular case or application of *Chicago Pneumatic Tool Co. v. Hughes Tool Co.*, 97 F.2d 945, 38 USPQ 258 (10th Cir. 1938).

In our original decision we found

We have no difficulty determining the scope of claim 1 as drafted. The compositions set forth in the claim can consist of the first three components recited or it can include a polyamine as a fourth component.

This determination followed from the rationale of *In re Moore*, *supra* and *In re Hammack*, *supra*.

[3] The examiner bases his request on the prior decisions *Ex parte Seigerwald*, 131 USPQ 74 (BdApl's 1961) and *Ex parte Grundy*, 63 Ms.D.219 (BdApl's), wherein the term "such as" was found to render the claims indefinite. We do not consider the term "optionally" to always result in the same degree of variability or indefiniteness as might result from the use of the phrase "such as." As indicated previously, each case must be decided on its own facts. In this case, the term "optionally" clearly indicates that the polyamine may, or may not, be present as a fourth component in the otherwise, three component composition. Claims often include the accepted expressions "up to," "O to . . . %," "not more than," which are recognized to indicate the possible, but not required, presence of a component. See *Ex parte Head*, 214 USPQ 551 (BdApp.1981). The use of the term "optional" in the present circumstances is more analogous to the noted accepted expressions than it is to the use of the phrase "such as" in the cases relied on by the examiner. The use of the term "such as" can render a claim indefinite by raising a question or doubt as to whether the feature introduced by such language is (a) merely exemplary of the remainder of the claim, and therefore not required, or (b) a required feature of the claim. We see no similar question or doubt arising from the present use of the term "optionally."

We note the examiner's argument that

Since the term "consisting of" closes the claim to all other ingredients *not specifically recited*, the polyamine would be ex-

cluded by the claim using the language "consisting of an epoxy resin, a petroleum sulfonate and a hydrocarbon diluent." (emphasis added)

This argument apparently relies on ignoring the fact that the polyamine is specifically recited as being an optional component.

The examiner's argument continues:

Therefore the additional language "optionally containing a polyamine" renders the claim indefinite since it is not known what further limitations, if any, would be imposed on the claim by the use of said language. If no further limitations are imposed the language is superfluous and confusing.

Whatever confusion exists in this matter is not attributable to the words of the claim. It seems that the argument is premised on the fact that the claim means one thing if the "optionally" phrase is ignored, and might mean something else if the phrase is considered. We know of no basis for interpreting the claim by ignoring the specific words used in the claim. We therefore see no rational basis for the examiner's finding that confusion would result should such an unwarranted method of claim interpretation be followed.

We note that the request for reconsideration does not provide any basis for modifying our stated understanding of the meaning of the criticized claim language. We, therefore, see no reason to modify our position as expressed in our original decision and as quoted, *supra*.

The request is granted to the extent that we have reviewed our original decision, however, it is denied to the extent that it seeks modification thereof.

DENIED

Patent and Trademark Office
Trademark Trial and Appeal Board

Century 21 Real Estate Corp. v. Century Life of America

Opposition No. 75,090

Decided January 17, 1989

Released March 16, 1989

TRADEMARKS AND UNFAIR TRADE PRACTICES

1. Registration and its effects. — Federal registration — Procedure, form, and content — Specimens (§315.0303.02)

Practice and procedure in U.S. Patent and Trademark Office — Interpartes, PTO proceedings — Opposition and cancellation — Rules and rules practice (§325.0305.05)

Unacceptable specimens, per se, do not constitute ground for opposition, since purpose of specimens is to show mark as it is actually used in order to determine whether it is being used as trademark or service mark, and since examining attorney's objections to specimens during examination are not actually to acceptability of specimens themselves but involve whether specimens show trademark use of matter for which registration is sought.

Opposition proceeding no. 75,090, between Century 21 Real Estate Corp. and Century Life of America d/b/a Century Companies of America and Century Life of America. On opposer's request for reconsideration of decision denying its motion for summary judgment and on four motions by opposer. Motion for reconsideration is denied, motion to amend notice of opposition is granted, request to extend discovery period is granted, trial dates are reset, and opposer is given time to respond to applicant's second set of interrogatories and first request for production.

Michael A. Grow, and Ward, Lazarus & Grow, Washington, D.C., for Century 21 Real Estate Corp.

Richard Bushnell, and Trexler, Bushnell, Giangiorgi & Blackstone, Chicago, Ill., for Century Life of America.

Before, Safins, Rooney, and Secherman, members.

By the board.

This case now comes up on the following: Opposer's request for reconsideration of the Board's June 29, 1988 decision denying opposer's motion for summary judgment; Opposer's motion to amend its notice of opposition; Opposer's motion for leave to take additional discovery.

Opposer's motion to extend the time for the commencement of its testimony period, and Opposer's motion to extend its time to respond to applicant's second set of interrogatories and first request for production. Applicant has opposed the request for reconsideration and the various motions.

Turning first to the request for reconsideration, opposer's motion sought summary judgment on the ground that applicant failed to submit with its application proper specimens evidencing valid service mark use. The motion was denied because the insufficiency of specimens is not a ground for sustaining an opposition.

The sufficiency of the specimens submitted with an application is a technical question which is within the province of the Examining Attorney to determine, and it is not within the function of this Board to supervise the Examining Attorney. See *Granny's Submarine Sandwiches v. Granny's Kitchen Inc.*, 199 USPQ 564, 567 (TTAB 1978); *Hyde Park Footwear Co., Inc. v. Hampshire-Designers, Inc.*, 197 USPQ 639, 642 (TTAB 1977). Even assuming applicant's specimens do not show service mark use but only trade name use, the applicant should not be penalized by the Examining Attorney's error in judgment, since any problem with the specimens might have been corrected had the Examining Attorney made a request for new specimens. See *Granny's Submarine Sandwiches v. Granny's Kitchen, Inc.*, *supra*.

It is this ruling from which opposer requests reconsideration, arguing inter alia that the cited cases do not prohibit the Board from overruling the decision of the Examining Attorney when clear error was committed. In particular, opposer points to the following language in *Granny's Submarine Sandwiches*:

We have previously stated that it is not the Board's function to review the work of the Examiner. We are not going to substitute our judgment for that of the Examiner, on the same facts that were before the Examiner, unless we are convinced that clear error was committed.

199 USPQ at 567. We are not convinced that our arguments, but we are not convinced that our decision was in error. [1] While the Board is not bound by the decision of the Examining Attorney, in that the mere acceptance of specimens by the Examining Attorney does not mandate a finding by us that service mark usage was made, it is not the adequacy of the speci-

mens, but the underlying question of service mark usage which would constitute a proper ground for opposition.

The reason why unacceptable specimens, per se, should not be a ground for opposition becomes apparent when one considers the purpose of specimens. The specimens are to show the mark as it is actually used (Section 1 of the Trademark Act, 15 U.S.C. 1051; Trademark Rules 2.56-58) so that it can be determined whether the matter for which registration is sought is being used as a trademark or service mark. Objections to the specimens made by the Examining Attorney during examination are not actually to the acceptability of the specimens themselves, but are that the specimens do not show trademark use of the matter for which registration is sought. Thus, in the present case, even assuming arguendo that applicant's specimens are unacceptable, if the Examining Attorney had refused registration based on them it would have been because they did not show that applicant's mark was being used as a service mark, and the ground for refusal would have been not the insufficiency of the specimens, but that the matter did not function as a mark.

Moreover, fairness dictates that the ex parte question of the sufficiency of the specimens not be the basis for sustaining an opposition. If, as was pointed out in our June 29, 1988 decision, the Examining Attorney had objected to the specimens during the examination of the application, the applicant would have had an opportunity to submit acceptable substitute specimens. Again assuming, arguendo, that applicant's specimens are unacceptable, it would be unfair to penalize applicant for not submitting substitute specimens when that requirement was never made by the Examining Attorney. Accordingly, for both legal and equitable reasons, we reaffirm our prior decision that unacceptable specimens are not a proper ground for opposition, and deny the request for reconsideration on this basis.

Turning now to opposer's motion to amend the notice of opposition, opposer seeks to add the allegation that applicant did not use its mark as a service mark in commerce prior to the filing of its application. The failure to make service mark use (as opposed to a failure of the specimens to show such use) is a proper ground for opposition, and in view of the nature of the allegation and the stage in which the proceeding is, applicant would not suffer any prejudice by our granting the motion. Applicant's argument that the proposed allegation does not provide a ground for opposition (because the Examining Attorney had previously accepted the speci-